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Date: 9/30/04 5:06PM
Subject: Comments on Exemption Petitions

Secretary, Federal Maritime Commission:

Attached are the comments of the Transportation Intermediaries Association in the various pending exemption proceedings. An original and fifteen copies are being sent to you by regular mail.

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**BEFORE THE
FEDERAL MARITIME COMMISSION**

**Petition of United Parcel Service, Inc.
Petition No. P3-03**

**Petition of C.H. Robinson Worldwide, Inc.
Petition No. P9-03**

**Petition of the National Customs Brokers
and Forwarders Association of America, Inc.
Petition No. P5-03**

**Petition of Danzas Corporation d/b/a
Danmar Lines, Ltd., Danzas AEI Ocean
Services, and DHL Danzas Air and
Ocean
Petition No. P1-04**

**Petition of Ocean World Lines, Inc.
Petition No. P7-03**

**Petition of BDP International, Inc.
Petition No. P2-04**

**Petition of BAX Global, Inc.
Petition No. P8-03**

**Petition of FedEx Trade Networks Transport
& Brokerage, Inc.
Petition No. P4-04**

SUPPLEMENTAL COMMENTS

SUBMITTED BY THE

TRANSPORTATION INTERMEDIARIES ASSOCIATION

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**ROBERT A. VOLTMANN
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SEPTEMBER 30, 2004

The Transportation Intermediaries Association ("TIA") submits these comments supporting the September 8, 2004 proposal contained in the comments filed by the National Customs Brokers and Forwarders Association of America ("NCB") urging the Commission to exempt non-vessel-operating common carriers ("NVOCCs") from the current tariff publication requirements, provided they maintain a record of rates and terms quoted and charged in readily available shipment files, should the need arise.

TIA is the professional organization of the \$80.6 billion third party logistics industry. TIA is the only U.S. organization exclusively representing transportation intermediaries of all disciplines doing business in domestic and international commerce. TIA is the voice of transportation intermediaries to shippers, carriers, government officials, and international organizations.

TIA members include approximately 800 motor carrier property brokers, surface freight forwarders, international ocean transportation intermediaries (ocean freight forwarders and non-vessel-operating common carriers), air forwarders, customs brokers, warehouse operators, logistics management companies, intermodal marketing companies, and motor carriers.

TIA is also the U.S. member of the International Federation of Freight Forwarders Associations (FIATA), the worldwide trade association of transportation intermediaries representing more than 40,000 companies in virtually every trading country. FIATA estimates that more than 10,000 of those companies handle trade with the U.S. by one or more modes of transportation.

TIA is a party to a recently submitted joint proposal to permit NVOCCs to enter into service contracts with their customers under the same procedures applicable to the vessel operating

ocean shipping lines. TIA urges the Commission to act promptly on that proposal without further delay.


In a note to that submission, the parties stated that the Commission should continue to move forward separately with the NCB proposal for a tariff publication exemption. TIA agrees with the NCB that tariff publication is an unnecessary, expensive and futile exercise for NVOCCs. Since the tariff is not used by shippers, and serves in reality as nothing more than a historical record of the rates offered and charged, the cost of maintaining a published tariff on the Internet yields no corresponding benefit. It merely burdens NVOCCs, over 80% of which are small businesses according to surveys done by the TIA and the U.S. Census with an unnecessary administrative expense.

The tariff also duplicates accounting records already kept by NVOCCs internally to document the rates quoted, charged and paid. Indeed, FMC regulations require them to maintain such records for every shipment. As the NCB's comments suggest, in the event that there is a dispute with a customer or the need for an audit, those records are readily available. That is all that is needed to protect the shipper and enable the Commission to verify that there has been no violation of the Shipping Act.

TIA therefore urges the Commission to move forward to act affirmatively on the NCB's separate tariff exemption proposal.¹

Respectfully submitted,

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¹ In offering these comments in support of a NVOCC tariff exemption, TIA does not subscribe to the view that the tariff exemption proposal should preempt or supplant the joint proposal for NVOCC service contract authority, which should be considered separately and on its own merits by the Commission.